

fourth grade accompanied by three teachers and one parent, Mrs. Cairns, Mr. Klauschie, Mrs. Erickson, and Mrs. Davis. And in the South Balcony, also, guests of Senator Eret are 12 students from Strang, Nebraska. Their teacher is Shirley Brunkow and their mother is Lavonne Messman, Janet Birky, and Nancy Polinoski. If you'd stand, we'd recognize you as welcoming you to your Legislature. Chair recognizes Senator Kilgarin.

SENATOR KILGARIN: Thank you Mr. President, members of the Legislature. You know LB 17, my sweet little livestock bill, talks about the sales and use tax and there are two issues involved in LB 17 but they are very similar issues. They're very similar in concept, at least. For years computer software was taxed and for years the water used to...that cattle drank and the water used to hose down those cattle was not taxed. And then we had the courts telling us that, by George, we're going to rule that software, computer software is not to be taxed. And then we had the bureaucracy ruling that, by George, we're going to tax that water use for those cattle. And I think both of these changes in our sales and use tax were instituted by default. One was instituted by the courts and the other was instituted by the bureaucracy. We cannot continue in this Legislature to let other branches of government determine what our sales and use tax base and income tax base and on and on is going to be. We're not going to let them continue to determine whether they want to enhance our base or detract from it. It's a legislative responsibility. I support LB 17 and I support LB 17's committee amendments because I, they are very similar in concept and you can talk about principles here. Are we going to let those courts and the bureaucracy continue to erode our tax base one way or the other? I say we should not. I say this Legislature should continue to do what we always have done and that is tax computer software and not tax that water use for those cattle. Thank you.

PRESIDENT: Chair recognizes Senator Labedz.

SENATOR LABEDZ: Thank you, Mr. President. For the record, I just want to make a correction as far as what Johnny DeCamp had to say. I did not say that the Atari games and the record albums and the books were not being taxed. They are being taxed and they should be. They are a finished product and I don't think that Elvis Presley or Barbra Streisand or the Beach Boys are any less talented than a computer programmer. And what they are selling is a finished product at the end and there should be sales tax on them. I mentioned the fact that I objected to sales tax on utilities because it was not a product, a finished product where you could feel or touch and when I started with the Department of Revenue way back in